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RUEHBR/AMEMBASSY BRASILIA PRIORITY 8415
RUEHBU/AMEMBASSY BUENOS AIRES PRIORITY 3977
RUEHCV/AMEMBASSY CARACAS PRIORITY 1443
RUEHLP/AMEMBASSY LA PAZ JUL 5237
RUEHMN/AMEMBASSY MONTEVIDEO PRIORITY 9777
RUEHQT/AMEMBASSY QUITO PRIORITY 2655
RUEHSG/AMEMBASSY SANTIAGO PRIORITY 2494
RHEHAAA/NATIONAL SECURITY COUNCIL WASHINGTON DC PRIORITY
RUMIAAA/USCINCSO MIAMI FL PRIORITY

C O N F I D E N T I A L LIMA 000971

SIPDIS

E.O. 12958: DECL: 07/08/2018

TAGS: PGOV PINR PREL SOCI

SUBJECT: ROLLING PROTESTS BEGIN; GARCIA ANNOUNCES CABINET
CHANGE IMMINENT

REF: LIMA 924 AND PREVIOUS

Classified By: CDA James Nealon for reasons 1.4b and d.

¶11. (C) Summary: Unions and diverse social organizations on July 7 initiated a series of rolling protests, strikes, and road blockades around the country, slated to last 3 days. Protests are focused on a grab-bag of local and national issues, from construction of roads to the cancellation of free trade agreements. Some view the protests as an expression of broad popular frustration, while others see an additional attempt to destabilize a weakened government (reflets). So far, the protests seem to lack the momentum and resonance organizers had anticipated, while the government continues to push a halting effort at dialogue. Meantime, President Garcia announced there would be a new cabinet by this weekend. End Summary.

Rolling Protests Throughout Country

¶12. (C) Unions and diverse social organizations announced a series of protests, strikes, and road blockades around the country over a period of 72 hours from July 7-9. The groups are protesting a grab-bag of local and national issues, but as yet there appears to be no unifying theme. Local and sectoral-specific demands include the construction of roads and the end to coca eradication, while national demands touch topics such as repealing free trade agreements (with U.S., China...) and establishing a constitutional assembly. For its part, the government has ordered the Armed Forces to protect strategic areas including ports, airports, the electrical grid, and others. They are also standing by to assist the National Police with enforcing law and order. The Minister of Labor announced a one-time payment of 20 soles (about US \$6) for all public workers who show up for work during this three day period.

¶13. (C) Some view the protests as a collective expression of frustration with the current economic and political situation, while others - including government leaders - see the protests as yet another attempt to destabilize a weakened government following the events in Bagua. Media reports indicate a complex scenario across the country in which some organizations are protesting for the full 72 hours, some picking and choosing when to protest within that time period, and some not participating at all. Mario Huaman, secretary general of the umbrella union CGTP, appeared to dial down expectations for the protests, stating that his group never

called for a national strike on July 8 and 9, but rather convened a protest march in Lima for the 8. It was the Andean and Amazonian organizations, he claimed, that had called for a 72-hour period of strikes and road blockades, further alleging that the government had "invented" the strike to lend credence to its recent emphasis on "external actors" being behind social unrest in the country.

¶14. (C) Now in their second day, the protests so far seem to lack the momentum and resonance organizers had hoped for. Save for Arequipa and Puno, where public transit and schools were shut down, protests have had little visible effect. A labor union representative told us that the protests were organized when tensions were flaring around the Bagua violence, and subsequent regional protests and demands were gaining steam, but observed that the GOP's engagement with communities and the creation of "mesas de dialogo" (conflict resolution groups) had defused tensions. That said, acting Aidesep leader Daisy Zapata announced on July 7 that two additional indigenous leaders (brothers Saul and Cervando Puertas Pena) had followed Alberto Pizango's lead and sought asylum at the Embassy of Nicaragua. She said the GOP's arrest warrants for the two Puertas brothers and two other leaders constituted persecution and accused the government of breaking its promises, which threatened ongoing dialogue. (A contact with ties to Aidesep told us Amazon leaders had decided on July 2 in Bagua to continue their struggle and believed the process of dialogue with the government resolved nothing.)

President Announces New Cabinet by Weekend

¶15. (C) In a July 7 interview, President Garcia stated there would be a new Cabinet this weekend. He confirmed that PM Simon would depart but offered no insight on possible successors. (Many of our contacts have told us few independents are interested in taking this highly volatile job, and several have already refused offers.) Speculation is widespread on the identity of the new PM, with outgoing Congress President Javier Velasquez Quesquen, Defense Minister Antero Araoz Flores and Education Minister Jose Chang currently in the running.

NEALON